

COMMUNIST AGENT,  
LLOYD'S,  
LONDON, E.C. 3

12th March, 1953.

My dear Mr. Ambassador,

Reference is made to recent conversations between officers of your Embassy and officials of Lloyd's regarding Lloyd's ability and desire to make available to the United States Government as a whole a comprehensive shipping intelligence service. These conversations have been based on the facts that Lloyd's is able to furnish comprehensive shipping intelligence which is of value to the United States Government and to the defence of the West; that the cost to Lloyd's of maintaining their intelligence organization has increased to such an extent that thorough revision of their scale of charges has become necessary; and that the service which Lloyd's is prepared to supply can best be maintained by Lloyd's and used by the United States Government if it is contracted for on an overall basis.

During the course of the conversations referred to above, agreement has been reached as follows:

A. Lloyd's:

1. will supply to United States Government Agencies up to three hundred copies weekly of Lloyd's Shipping Index or Voyage Supplement;
2. will supply to United States Government Agencies a reasonable number (the three hundred copies of Lloyd's Shipping Index mentioned in A.1. above to be used as a criterion in determining whether specific requests fall within the limits of a "reasonable number

His Excellency The American Ambassador,  
American Embassy,  
1, Grosvenor Square,  
London,  
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State Dept. declassification & release instructions on file

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number") of Lloyd's List (daily shipping newspaper), Lloyd's Confidential Index (records of ownership), Lloyd's Weekly Casualty Reports (record of casualties), and all other Lloyd's Shipping Publications (these do not include the publications of Lloyd's Register of Shipping, which is an entirely separate organization from Lloyd's);

3. will provide special services constituting a complete shipping intelligence service, broadly, but not exclusively defined as follows:

(a) the compilation of information from Lloyd's records which is not readily available from the Shipping Index, provided the Quantum of any one particular service does not involve a permanent increase in Lloyd's staff;

(b) answering miscellaneous inquiries by telephone or otherwise from United States Government Agencies;

(c) in general supplying United States Government Agencies with any information based upon the world-wide shipping service and organization built up by Lloyd's over a period of more than 250 years (the attached report from Lloyd's Shipping Editor illustrates the type of service which may be requested and supplied);

4. will make a separate arrangement with the New York Maritime Association for a continuation of their distribution services to United States Government Agencies in the United States;

5. will pay all surface mail charges as well as any extra costs of air delivery to New York for copies of publications distributed by the New York Maritime Association, but no other air mail or other air delivery charges;

6. will credit the United States Government with double the pro-rata amount of the unexpired portion (as of the date these arrangements go into effect) of each pre-paid United States Government subscription to any of Lloyd's publications;

7. will

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7. will refer to the American Embassy in London each application it may receive from a United States Government Agency for renewal of or new subscription to any of Lloyd's publications, but all such subsequent subscriptions which may be effected independently of the Embassy will, nevertheless, be credited against the hereinafter mentioned annual subscription of twenty-eight thousand dollars (\$28,000.00).

B. The United States Government:

1. will pay to Lloyd's through the American Embassy in London an annual subscription of Twenty-eight Thousand Dollars (\$28,000.00) payable quarterly on the 31st March, 30th June, 30th September and 31st December. This subscription shall be subject to review on both sides annually in the light of services rendered and costs of production; and

2. will arrange for the designation by the American Ambassador in London of the Shipping Attache or other competent officer of the Embassy to act as liaison with Lloyd's for the implementation of these arrangements generally, without, of course, prejudicing in any way the continuance or development of close day-to-day direct contact between Lloyd's and the United States Naval authorities or other United States Government officers in London.

It is suggested that if the above arrangements meet with the approval of the United States Government, they be put into effect as of the 1st April, 1953, and that the first quarterly payment be that due on the 30th June, 1953.

Sincerely yours,

(WALTER BARRIE)

Chairman of Lloyd's.

March 13, 1953 (date)

Above described arrangements hereby accepted.

For the United States Government:

(J. K. PEARFIELD)

J. K. Penfield  
Counselor of Embassy.